



State of California
Employment Training Panel

Arnold Schwarzenegger, Governor

April 24, 2008

Victor VandenBerghe, Owner
Community Business College
3800 McHenry Avenue, Suite M
Modesto, CA 95356

Dear Mr. VandenBerghe:

Enclosed is our final audit report relative to the Employment Training Panel Agreement No. ET03-0226 for the period January 6, 2003 through January 5, 2005.

Also enclosed is a demand letter for payment of costs disallowed in the audit report. Payment is due upon receipt of this letter. If you wish to appeal the audit findings, you must follow the procedure specified in Attachment B to the audit report.

We appreciate the courtesy and cooperation extended to our auditor during the audit. If you have any questions, please contact Charles Rufo, Audit Director, at (916) 327-5439.

Sincerely,

Original signed by:

Charles Rufo
Audit Director

Enclosures

cc: Dan Guerra, Director of Training

Community Business College
Agreement No. ET03-0226
Final Audit Report
For The Period
January 6, 2003 through January 5, 2005
Report Published April 24, 2008

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AUDITOR'S REPORT

Summary

We performed an audit of Community Business College's compliance with Agreement No. ET03-0226, for the period January 6, 2003 through January 5, 2006. Our audit pertained to training costs claimed by the Contractor under this Agreement. Our audit was performed during the period August 21, 2006 through October 25, 2006.

The Employment Training Panel (ETP) reimbursed the Contractor a total of \$499,815. Our audit supported \$482,580 is allowable. The balance of \$17,235 is disallowed and must be returned to ETP. The disallowed costs resulted from 2 trainees who did not meet post-training retention requirements and 1 trainee who did not complete sufficient class/lab training hours. In addition, we noted an administrative finding for inaccurate reporting of trainee wage rates.

AUDITOR'S REPORT (continued)

Background

Community Business College, Inc. (CBC) is a private, postsecondary and vocational training facility approved by the Bureau of Private Postsecondary and Vocational Education. Subsequent to the start of this Agreement, due to an ownership change, Community Business School LLC (CBS) changed its name to Community Business College, Inc.

This Agreement was the fifth training project between ETP and CBC (previously CBS). The training facility is located in Modesto, where CBC maintains an on-going relationship with regional employers. That relationship allowed CBC to determine that there was a significant demand for specialized employees, especially in computer fields. Therefore, this training project sought to train unemployed individuals for placement in those occupations for which a demand had been identified. This Agreement provided for training in Business Skills, Continuous Improvement, and Computer Skills.

This Agreement allowed CBC to receive a maximum reimbursement of \$861,750 for training 150 new-hire trainees. During the Agreement term, the Contractor trained and placed 87 trainees and was reimbursed \$499,815 by ETP.

Objectives, Scope, and Methodology

We performed our audit in accordance with *Government Auditing Standards*, promulgated by the United States General Accounting Office. We did not audit the financial statements of Community Business College. Our audit scope was limited to planning and performing audit procedures to obtain reasonable assurance that Community Business College complied with the terms of the Agreement and the applicable provisions of the California Unemployment Insurance Code.

Accordingly, we reviewed, tested, and analyzed the Contractor's documentation supporting training cost reimbursements. Our audit scope included, but was not limited to, conducting compliance tests to determine whether:

- Trainees were eligible to receive ETP training.
- Trainees received the minimum training hours specified in the Agreement.
- Trainees were employed in the occupation for which they were trained and earned the minimum wage required at the end of the 90-day retention period.

AUDITOR'S REPORT (continued)

- The Contractor's cash receipts agree with ETP cash disbursement records.
- Trainees were employed continuously full-time with a participating employer for 90 consecutive days after completing training, and the 90-day retention period was completed within the Agreement term. Trainees placed with a temporary services agency must complete a retention period of 180 consecutive days (Note: Audit staff reviewed retention period and wages through April 4, 2005).

As part of our audit, we reviewed and obtained an understanding of the Contractor's management controls as required by *Government Auditing Standards*. The purpose of our review was to determine the nature, timing, and extent of our audit tests of training costs claimed. Our review was limited to the Contractor's procedures for documenting training hours provided and ensuring compliance with all Agreement terms, because it would have been inefficient to evaluate the effectiveness of management controls as a whole.

Conclusion	As summarized in Schedule 1, the Summary of Audit Results, and as discussed more fully in the Findings and Recommendations Section of our report, our audit supported \$482,580 of the \$499,815 paid to the Contractor under this Agreement is allowable. The balance of \$17,235 is disallowed and must be returned to ETP.
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Views of Responsible Officials	A draft audit report was issued to the Contractor on March 12, 2008. The Contractor responded to the draft audit report, which was received by ETP on April 11, 2008. Relevant portions of the Contractor's response are included as an attachment to this report.
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The Contractor disagreed with Finding No. 1 and stated that Trainee Nos. 1 and 2 did meet full-time retention requirements with other employers who were previously not reported by the Contractor. The Contractor disagreed with Finding No. 2 and stated that Trainee No. 3 completed more than 80 percent of the required training hours. The Contractor also responded to Finding No. 3 and stated that they had no way to independently verify the accuracy of wage rate data reported to ETP.

We continue to disallow the Trainee Nos. 1 through 3. The Contractor did not submit any documentation to support full-time employment was achieved by Trainee Nos. 1 and 2. Although photocopies of training rosters were submitted for Trainee No. 3, ETP deemed the original training rosters and trainee monthly status reports to be accurate, which supported less than 80 percent of the required training hours. Additionally, to verify the accuracy of

AUDITOR'S REPORT (continued)

hourly wage rates reported, ETP recommends the Contractor take additional steps to obtain accurate wage data.

The issuance of your final audit report had been delayed by the audit unit. Therefore, ETP will waive the accrual of interest resulting from this audit for the disallowed costs beginning December 18, 2006, through the issue date of this Final Audit report.

Audit Appeal Rights

If you wish to appeal the audit findings, it must be filed in writing with the Panel's Executive Director within 30 days of receipt of this audit report. The proper appeal procedure is specified in Title 22, California Code of Regulations, Section 4450 (attached).

Records

Please note the ETP Agreement, Paragraph 5, requires you to assure ETP or its representative has the right, "...to examine, reproduce, monitor and audit accounting source payroll documents, and all other records, books, papers, documents or other evidence directly related to the performance of this Agreement by the Contractor... This right will terminate no sooner than four (4) years from the date of termination of the Agreement or three (3) years from the date of the last payment from ETP to the Contractor, or the date of resolution of appeals, audits, or litigation, whichever is later."

Charles Rufo
Audit Director

Fieldwork Completion Date: October 25, 2006

This report is a matter of public record and its distribution is not limited. The report is intended for use in conjunction with the administration of ETP Agreement No. ET03-0226 and should not be used for any other purpose.

SCHEDULE 1 – Summary of Audit Results

COMMUNITY BUSINESS COLLEGE

AGREEMENT NO. ET03-0226

FOR THE PERIOD

JANUARY 6, 2003 THROUGH JANUARY 5, 2005

	<u>Amount</u>	<u>Reference*</u>
Training Costs Paid By ETP	<u>\$ 499,815</u>	
Disallowed Costs:		
Post-Training Retention Requirements Not Met	\$ 11,490	Finding No. 1
Insufficient Training Hours Attended	5,745	Finding No. 2
Inaccurate Reporting	<u>-</u>	Finding No. 3
Total Costs Disallowed	<u>\$ 17,235</u>	
Training Costs Allowed	<u><u>\$ 482,580</u></u>	

* See Findings and Recommendations Section.

FINDINGS AND RECOMMENDATIONS (continued)

FINDING NO. 1 –
Post-Training
Retention
Requirements Not
Met

Employment information shows that two trainees did not meet post-training retention requirements. Both trainees were placed with temporary employment agencies. Thus, we disallowed \$11,490 (2 Job No. 1 trainees x \$5,745) in training costs claimed for these trainees. Noncompliance with post-training retention requirements was previously disclosed in our audit of Community Business School, LLC for ETP Agreement No. ET00-0113.

The following criteria are applicable:

- Exhibit A, paragraph VII. A.1. of the Agreement between Community Business College (CBC) and ETP states that, "Each trainee must be employed full time, at least 35 hours per week, with a single participating employer for a period of at least ninety (90) consecutive days immediately following the completion of training... The retention period shall be completed no later than the last day of this Agreement."
- Title 22 CCR Section 4427 states that new-hire trainees placed with a temporary employment agency must complete a retention period of 180 consecutive days with the same temporary agency before payment is considered earned.

CBS reported that Trainee No. 1 completed a 90-day post-training retention period from September 30, 2004 through December 30, 2004, and earned \$8.98 per hour. The trainee was hired with a temporary employment agency on September 6, 2004. Thus, the required 180-day retention period would have ended on March 6, 2005. The employer provided payroll records supporting an hourly wage rate of \$15.00 and employment of 36.5 hours per week, but only through December 10, 2004 (last day of employment). Based on the hourly wage rate and termination date reported by the employer, EDD base wage information shows the trainee was not employed full-time for a 180-day retention period at any time through April 5, 2005.

CBC reported that Trainee No. 2 completed a 90-day post-training retention period from May 27, 2003 through August 25, 2003, and earned a wage rate at \$8.98 per hour. EDD base wage showed no employment for Trainee No. 2 during the reported retention period. However, trainee was found to be hired with a temporary employment agency on October 13, 2003. Thus, the required 180-day retention period would have ended on April 10, 2004. The employer provided payroll records supporting an hourly wage rate of \$9.50, but Trainee No. 2 was terminated from employment involuntarily on January 16, 2004. Based on the hourly wage rate and termination date reported by the employer, EDD base wage information shows the trainee was not employed full-time for a 180-day retention period at any time through April 5, 2005.

FINDINGS AND RECOMMENDATIONS (continued)

Recommendation Community Business College must return \$11,490 to ETP. In the future, the Contractor should ensure that trainees meet all applicable post-training retention requirements before claiming reimbursement from ETP.

Contractor's Response CBC stated that Trainee No. 1 "voluntarily quit" her employment with the reported temporary employment agency and then completed a 90-day retention period with an "ETP-eligible employer". CBC stated that as of the date of their response, the trainee had not provided payroll records to support this claim.

CBC stated that Trainee No. 2 was employed full-time after completing the training with Modesto City Schools as a Clerk Typist II. CBC requested that this placement be considered allowable as an incidental placement.

Auditor's Comments For Trainee No. 1, Prostar Company, the reported temporary employment agency, stated the trainee did not voluntarily quit her employment and her last day of employment was December 10, 2004. Employment Development Department base wage records show no wages earned from any other California employer during 2004-4th quarter through 2005. Therefore, the trainee will remain disallowed.

For Trainee No. 2, Valley Temporary Services, the reported temporary employment agency, stated the trainee voluntarily quit her employment and her last day of work was January 16, 2004. Employment Development Department base wage records confirmed that wages were earned by Trainee No. 2 from Modesto City Schools intermittently in 2004 and 2005. However, the wages were not sufficient to support full-time employment (35 hours per week during 90 consecutive days) through April 5, 2005. Therefore, the trainee will remain disallowed.

FINDINGS AND RECOMMENDATIONS (continued)

FINDING NO. 2 –
Insufficient
Training Hours
Attended

CBC's training documentation did not support the minimum training hours required for one trainee. As a result, we disallowed \$5,745 in training costs claimed for this trainee.

Paragraph 2(b) of the Agreement between Community Business College and ETP states that "Each trainee should complete 100% of the required class/lab and videoconference training hours. The Panel will not reimburse the Contractor for a trainee who does not complete a minimum 80% of the required hours..."

The Agreement required that trainees attend 360 hours of class/lab training. CBC maintained an internal tracking report ("monthly status report") to document trainee's attendance from original attendance rosters. Although CBC's internal tracking report showed 311 training hours were completed, due to data entry and/or formula errors, this was not an accurate total. Review of classroom attendance rosters provided by CBC show that Trainee No. 3 actually attended only 273.5 hours (or 76 percent).

The table below shows required training hours, training hours per CBC's monthly status report, training hours disallowed, and total allowable training hours for this trainee.

Trainee No.	Required Training Hours	Training Hours Per CBC Monthly Status Report	Training Hours Disallowed	Allowable Training Hours	Code
3	360	311	37.5	273.5	A, B, C
LEGEND: A = Data entry error of 11 training hours (14 hours reported for 3 hours of actual training) reported on December 8, 2003. B = Data entry error of 25.5 additional training hours reported during week ending April 23, 2004. C = No training roster found on May 5, 2004 for 1 training hour.					

Recommendation

Community Business College must return \$5,745 to ETP. In the future, the Contractor should ensure that trainees attend the training hours required by the Agreement prior to claiming reimbursement from ETP.

FINDINGS AND RECOMMENDATIONS (continued)

Contractor's Response	CBC stated that Trainee No. 3 completed 295.5 hours, which is more than the 288 hours allowed (360 hours required x 80 percent) by ETP. The Contractor submitted a "summary sheet" and photocopies of signed training rosters to support this statement.
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Auditor's Comments	<p>During the audit, CBC provided a detailed monthly status reports for all ETP sample trainees that documented: 1) daily trainee "in" and "out" times; 2) weekly and cumulative training hour totals; 3) trainee absences; and 4) trainee graduation or drop/quit date. These detailed status reports accounted daily for late arrivals and early departures based on a trainee's in and out times, respectively. These reports were reviewed and confirmed to actual training rosters for the 16 sample trainees. Based on that testing, we determined the monthly status reports to be reliable, as they agreed with the original training rosters for 15 of the 16 trainees sampled.</p>
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Please see Appendix 1, which details the monthly status report information for Trainee No. 3. As noted, the monthly status included 37.5 unsupported hours due to data entry errors and a missing training roster. CBC's "summary sheet", submitted as part of the Contractor's response, showed Trainee No. 3 completed 295.5 hours, which is an additional 22 training hours. The training hour differences based on CBC's response are summarized in Appendix 2. Auditor's review of the photocopied training rosters accounted for an additional 23.5 training hours (rather than 22 hours) on 11 training dates. The summary sheet and training rosters show Trainee No. 3 attended 6 hours of training (excluding any make-up) for 9 of the 11 training dates. However, the monthly status report shows the trainee with either a late arrival or early departure based on the trainee's in and out times. Thus, ETP's review supports that 273.5 (76 percent) allowable training hours were completed by Trainee No. 3.

FINDINGS AND RECOMMENDATIONS (continued)

FINDING NO. 3 – Inaccurate Reporting Trainee hourly wage rates reported by Community Business College on invoices submitted to ETP were inaccurate. As a result, the Contractor did not comply with Agreement reporting requirements. Noncompliance with inaccurate reporting of trainee wage rates was previously disclosed in our audit of Community Business School, LLC for ETP Agreement No. ET00-0113.

Paragraph 2(d) of the Agreement states, “Contractor shall submit invoices and necessary statistical data to ETP in form and manner prescribed by ETP.” Accurate, complete trainee wage rate information is required to verify compliance with Exhibit A, paragraph VII. A.1. of the Agreement. This section states, “Each trainee must be employed full-time... for a period of at least ninety (90) consecutive days immediately following the completion of training... Wages at the end of the 90-day retention period shall be equal to or greater than the wages listed in [the Agreement].”

Wage information obtained from employers shows that trainee hourly wage rates reported were incorrect for 5 out of the 15 trainees randomly tested. Actual hourly wage rates differed from reported wage rates by more than 5 percent for these trainees. Reported and actual wage rates for the 5 trainees are shown below.

Trainee No.	Wage Rate Reported By Contractor	Actual Wage Rate
2	\$8.98	\$9.50
4	\$8.98	\$16.61
5	\$11.00	\$12.50
6	\$8.98	\$11.51
7	\$9.00	\$10.00

Recommendation In the future, the Contractor should ensure all trainee data reported to ETP are accurate and complete. Inaccurate or incomplete data may result in repayment of unearned funds, plus applicable interest, to ETP.

Contractor's Response CBC stated that “...the school is limited to information provided by the trainees and/or their employers through the DE-6 Form... and the verification abilities of the ETP Fiscal department at the time of determination of meeting ETP requirements for invoice purposes.”

FINDINGS AND RECOMMENDATIONS (continued)

Auditor's
Comments

ETP's Contractor's Guide for Multiple Employer Contractor's states "To assist the ETP Fiscal Unit in the timely processing of final payment invoices, you may want to submit with your invoice one of the following:

- DE-6 Quarterly Report of Wages - Copies of the DE-6 for the quarter which includes the payroll period immediately after the employment retention period, or
- Payroll Records - Copies of payroll ledgers, time sheets, or personnel records which verify the wages received for the payroll period immediately after the retention period, or
- Check Stubs - Copies of payroll check stubs or remittance advice which verify the wages, hours and rate after the employment retention period."

Employment Development Department's DE-6 "Quarterly Wage and Withholding Report" identifies the total subject wages paid to an employee during each quarter (every 3 months). It does not identify the hourly wage for an employee. Thus, CBC should consider obtaining copies of payroll records or check stubs to verify actual trainee hourly wage rates. Since CBC reported wages rates at \$8.98 per hour for 3 of the 5 trainees identified above, it confirms that CBC simply used the minimum hourly wage per the Agreement.

Appendix 1 – Audited Training Hours for Trainee No. 3

Training Date	Monthly Status Reports			Training Date	Monthly Status Reports		
	Hours	Make-Up Hours	Total		Hours	Make-Up Hours	Total
11/24/2003	6		6	1/21/2004	4.5	1	5.5
11/25/2003	6	0.5	6.5	1/22/2004	5		5
11/26/2003	6	0.5	6.5	1/23/2004	4		4
12/1/2003	6		6	1/26/2004	2		2
12/2/2003	6	0.5	6.5	1/27/2004	6	2	8
12/3/2003	6	0.5	6.5	1/28/2004	5.5		5.5
12/4/2003	6	0.5	6.5	1/29/2004	6	0.5	6.5
12/5/2003	6	0.5	6.5	1/30/2004	3		3
12/8/2003*	3		3	2/2/2004	6	0.5	6.5
12/9/2003	6		6	2/3/2004	6	1.5	7.5
12/10/2003	3		3	2/4/2004	6		6
12/12/2003	6		6	2/5/2004	6	1	7
12/16/2003	4.5	1	5.5	2/7/2004	5.5		5.5
12/17/2003	6	2	8	2/9/2004	3	1	4
12/18/2003	6		6	2/10/2004	6		6
12/19/2003	5		5	2/12/2004	3		3
12/22/2003	3		3	2/13/2004	6		6
12/23/2003	6	1	7	2/17/2004	3		3
12/29/2003	6	1	7	4/20/2004***	3		3
12/30/2003	6		6	4/22/2004***	3		3
12/31/2003	6		6	4/26/2004	2		2
1/2/2004	6		6	4/28/2004	1		1
1/5/2004	6	1.5	7.5	4/29/2004	2		2
1/6/2004	6		6	4/30/2004	3		3
1/7/2004	2	1.5	3.5	5/5/2004**	0		0
1/9/2004	5		5	5/11/2004	1		1
1/14/2004	5		5	5/12/2004	2		2
1/20/2004	6	1	7				
sub-total			162.5	sub-total			111
TOTAL							273.5

Legend:

* = On 12/8/03 there was a data entry error of 11 training hours as 14 training hours were reported rather than 3 hours (1:00 p.m. to 4:00 p.m.).

** = On 5/5/04 the monthly status report showed 1 hour of training; however, no original training roster was available for review.

*** = Cumulative weekly hours had an additional 25.5 training hours reported during week ending 4/23/04.

Appendix 2 – Training Hour Differences per Contractor's Response for Trainee No. 3

Training Date	Monthly Status Report Hours	"Summary Sheet"/Training Roster Hours	Difference
12/16/2003	4.5	6	1.5
12/19/2003	5	6	1
12/22/2003	3	6	3
1/9/2004	5	6	1
1/14/2004	5	6	1
1/22/2004	5	6	1
1/30/2004	3	6	3
2/17/2004	3	6	3
4/20/2004	3	6	3
4/28/2004	1	4	3
4/29/2004	2	5	3
Sub-total	39.5	63	23.5

ETP Total	CBC Reported Total	CBC Reported Difference
273.5	295.5	22.0

ATTACHMENT A – Contractor's Response



3800 McHenry Avenue, Suite M
Modesto, CA 95356-1569
209-529-3648
209-529-0456 fax
www.communitybusinesscollege.edu

April 2, 2008

Employment Training Panel Audit Unit
Attention: Stephen Runkle
1100 J Street, 4th Floor
Sacramento, CA 95814-2857

RE: ETP Agreement ET03-0226 Draft Audit Report

Dear Mr. Runkle,

Thank you for the assistance you provided during and since the audit performed for ET03-0226. Your recommendations and support have been very helpful. I am responding to your letter dated March 12, 2008 regarding the close-out of agreement ET03-0226. As per instructions on page 1 of the letter, I am responding to the audit findings and enclosing the requested additional documentation.

Finding No. 1

In paragraph 4, the audit report states that the Trainee No. 1 was hired with a temporary employment agency on September 6, 2004 and would thus the 180-day retention period would apply. The trainee informed the school that she voluntarily quit that job and went to work for an ETP-eligible employer and was no longer working for the temporary agency. If this information is verified, then the 90-day retention period would instead apply. Since receipt of the draft audit report, the school has contacted the trainee who agreed to pull her payroll records from her storage area and provide the school photocopies of her records to verify her pertinent employment. Given the length of time since the employment took place, she said she would need some time to pull the records. She was not able to complete this task at the time of the deadline of submission of this response.

Trainee No. 2 reports that she was employed full time after completing the training. With Modesto City Schools as a Clerk Typist II. Although Modesto City Schools does not pay into the Unemployment Insurance system required by the ETP contract, it should be categorized as an incidental placement and qualify under the incidental placement regulations. Please see the attached resume for a complete employment history that the trainee reported to the school.

ATTACHMENT A – Contractor's Response (continued)

● Page 15 of 2

March 24, 2008

Finding No. 2

The school provided 100% of the training hours for Trainee No. 3. Due to trainee absences, however, the trainee did not complete 100% of the training hours. According to the records maintained by the school and signed by the trainee on a daily basis, however, the school finds that the trainee has completed over 80% of the training provided. A summary sheet outlining the trainee's progress has been included with this letter, demonstrating that, as of May 12, 2004, Trainee No. 3 completed 295.5 hours of the training, which is over the 80% required minimum (288 actual hours). As of May 12, 2004 the trainee completed 7.5 hours over the minimum required. Photocopies of the school's internal tracking documentation which include the trainee's signatures for her training have been included with this letter.

Finding No. 3

In order to report New-Hire trainee data, the school is limited to information provided by the trainees and/or their employers through the DE-6 Form. 132 (rev. 04/04), and the verification abilities of the ETP Fiscal department at the time of determination of meeting ETP requirements for invoice purposes. The Form 132 is certified by the employers to be true and correct to the best of their abilities. Unfortunately, as a New-Hire contractor, the school has no way to independently verify the accuracy of this data. As recommended by the draft audit report, the school will strive to ensure that all trainee data reported to ETP are accurate and complete.

If you have any questions about this response or the enclosed documentation, I can be reached at the telephone number listed above or via e-mail at dguerra@communitybusinesscollege.edu.

Sincerely,

Original signed by:

Dan Guerra
Director
Community Business College

Enclosure

ATTACHMENT B - Appeal Process

4450. Appeal Process.

- (a) An interested person may appeal any final adverse decision made on behalf of the Panel where said decision is communicated in writing. Appeals must be submitted in writing to the Executive Director at the Employment Training Panel in Sacramento.
- (b) There are two levels of appeal before the Panel. The first level must be exhausted before proceeding to the second.
 - (1) The first level of appeal is to the Executive Director, and must be submitted within 30 days of receipt of the final adverse decision. This appeal will not be accepted by the Executive Director unless it includes a statement setting forth the issues and facts in dispute. Any documents or other writings that support the appeal should be forwarded with this statement. The Executive Director will issue a written determination within 60 days of receiving said appeal.
 - (2) The second level of appeal is to the Panel, and must be submitted within 10 days of receipt of the Executive Director's determination. This appeal should include a statement setting forth the appellant's argument as to why that determination should be reversed by the Panel, and forwarding any supporting documents or other writings that were not provided at the first level of appeal to the Executive Director. If the Panel accepts the appeal and chooses to conduct a hearing, it may accept sworn witness testimony on the record.
 - (A) The Panel must take one of the following actions within 45 days of receipt of a second-level appeal:
 - (1) Refuse to hear the matter, giving the appellant written reasons for the denial; or
 - (2) Conduct a hearing on a regularly-scheduled meeting date; or
 - (3) Delegate the authority to conduct a hearing to a subcommittee of one or more Panel members, or to an Administrative Law Judge with the Office of Administrative Hearings.
 - (B) The Panel or its designee may take action to adopt any of the administrative adjudication provisions of the Administrative Procedures Act at Government Code Section 11370 *et seq.*, for the purpose of formulating and issuing its decision. Said action may take place at the hearing, or in preliminary proceedings.
 - (C) Upon completion of the hearing, the record will be closed and the Panel will issue a final ruling. The ruling may be based on a recommendation from the hearing designee. The ruling shall be issued in a writing served simultaneously on the appellant and ETP, within 60 days of the record closure.
- (c) The time limits specified above may be adjusted or extended by the Executive Director or the Panel Chairman for good cause, pertinent to the level of appeal.
- (d) Following receipt of the Panel's ruling, the appellant may petition for judicial review in Superior Court pursuant to Code of Civil Procedure Section 1094.5. This petition must be filed within 60 days from receipt of the Panel's ruling.

Authority: Section 10205(m), Unemployment Insurance Code; Section 11410.40, Government Code.

Reference: Sections 10205(k), 10207, Unemployment Insurance Code.

Effective: April 15, 1995

Amended: December 30, 2006